

REA - Divisions - functions
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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration
St. Louis, Missouri

July 24, 1942

In effect 3/24/44

To: Members of the REA Organization

From: The Administrator

Subject: Functions and Responsibilities of Divisions of
Rural Electrification Administration

In view of the responsibilities of Rural Electrification Administration in the execution of the Nation's War program and on the basis of experience in the execution of the normal peace-time program of the agency, a redefinition of the functions and responsibilities of the several divisions as established by General Order 147 is desirable and necessary. The statements following of functions and responsibilities of each division, covering both normal peace-time and war-time activities, are hereby approved. The functions and responsibilities of the office in charge of TVA relations remain unchanged and continue as in the past.

Every effort has been made to avoid overlapping of functions in the preparation of these statements. While they meet our organization requirements for the present and foreseeable future, they will be subject to review and revision as experience and future planning may dictate.

A. APPLICATIONS AND LOANS DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To conduct all REA activities pertaining to the review and evaluation of all applications for loan funds through feasibility studies of rural areas and examination of application data; to recommend allotments; to plan and execute wiring and plumbing programs and mass demonstration and purchase programs of consumers' equipment; to formulate and recommend policies pertaining thereto.

b. In Detail:

1. To examine and recommend for the Administrator's approval, all applications for loan funds and amendments thereto, including work orders, covering distribution and transmission lines, fixed and mobile generating plants and equipment, office buildings, refrigeration plants, irrigation equipment, wiring and plumbing, consumers' appliances and equipment, and all other facilities that may be financed under the provisions of the Rural Electrification Act.
2. To formulate and recommend policies and prepare plans for the financing of wiring and plumbing installations and execution of the wiring and plumbing program, including the establishment of wiring and plumbing schools.
3. To conduct field investigations and other studies of the status of electrification and other conditions of rural areas to provide data for determining feasibility of applications and for the orderly extension of rural electrification.
4. To recommend the acquisition of existing facilities.
5. To conduct activities pertaining to the advice and assistance given sponsors of proposed projects and borrowers on the formation of cooperative organizations seeking loan funds.
6. To assist in the organization of self-help projects and in the application of self-help principles to such projects.
7. To conduct special group activities designed to encourage member connections, and to advise and assist borrowers in mass purchases of farm and home electrical appliances and equipment, including the direction of mass demonstration activities.

II. WAR-TIME ACTIVITIES

- a. In General: To conduct all REA activities pertaining to the review and evaluation of all applications for loan funds primarily for facilities to serve war needs or for acquisition of existing facilities; to recommend allotments; to supervise preparation of feasibility studies of unserved rural areas to expedite adjustment to post-war activities; to formulate and recommend policies pertaining thereto.
- b. In Detail:
 1. To examine and recommend for the Administrator's approval, all applications for loan funds and amendments thereto, including work orders, covering distribution and transmission lines, fixed and mobile generating

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plants and equipment, and all other facilities which may be financed under the provisions of the Rural Electrification Act and are required primarily to meet war needs.

2. To conduct field investigations and supervise the preparation of other studies of the status of electrification and other conditions in rural areas to provide data for determining feasibility of applications and for the orderly extension of rural electrification as a post-war Congressional program.
3. To conduct activities related to the acquisition of existing facilities particularly those available for purchase as ordered by the SEC and the continued operation of which is essential to provision of service for war and related needs and which will strengthen the power facilities of areas served by borrowers.

B. DESIGN AND CONSTRUCTION DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To give engineering approval of proposed and completed projects; to advise and assist borrowers on the design and construction of generating plants, transmission and distribution lines, buildings and structures, and on the operation of generating plants and transmission systems; and to provide consulting service on technical engineering phases of operation of borrowers' systems.
- b. In Detail:
 1. To approve, and render advice and assistance to all borrowers on design and construction of generating plants, of transmission and of distribution lines, and of buildings and structures, including additions and extensions, and on the operation of generating plants and transmission systems.
 2. To conduct activities pertaining to the determination of cost standards for construction, and the preparation of construction cost estimates.
 3. To provide consulting service on technical engineering phases of operation of borrowers' systems.
 4. To provide for engineering valuation of proposed acquisitions.
 5. To provide for inspection of materials for the construction of lines, plants and related facilities.

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6. To approve service entrance installation contracts and certification of inspection of these installations.

II. WAR-TIME ACTIVITIES

- a. In General: To give engineering approval of proposed and completed projects; to advise and assist borrowers on the design and construction of generating plants, of transmission and distribution lines, and of buildings and structures as authorized and directed to be constructed by the WPB or other war agencies with due regard to orders of WPB in respect of simplification and economy of materials; to advise and assist borrowers on the operation of generating plants and transmission systems; to provide consulting service on technical engineering phases of operation of borrowers' systems to assure adequate, reliable power supply which is critical to war and essential requirements and to conform borrowers' engineering practices to WPB orders.
- b. In Detail:
 1. To approve, and render advice and assistance to borrowers on design and construction of generating plants, of transmission and distribution lines, and of buildings and structures, including additions and extensions, as authorized and directed by WPB or other war agencies, and on the operation of generating plants and transmission systems.
 2. To conduct activities pertaining to the determination of cost standards for construction, and the preparation of construction cost estimates.
 3. To provide consulting service on technical engineering phases of operation of borrowers' systems by methods consistent with instructions of WPB on simplification and economy.
 4. To provide for engineering valuation of proposed acquisitions.
 5. To provide for inspection of materials for the construction of lines, plants and related facilities.

C. COOPERATIVES' OPERATIONS DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To conduct all activities pertaining to business management advice and assistance, and the integration of engineering and other technical advice to REA borrowers in the operation, maintenance, and continuous, ordinary load building of their systems.

- b. In Detail: To conduct activities pertaining to business management advice and assistance and the integration of engineering and other technical activities, of operation and maintenance of distribution lines, systems' offices, and related facilities of borrowers' systems, including:
 - 1. Analysis of fiscal operations of borrowers' systems and relation to systems' operating budgets.
 - 2. Obtainment of power supply and determination of retail rates.
 - 3. Development of appropriate insurance rates and adequate safety programs.
 - 4. Collection, analysis, and application of data on tax problems.
 - 5. Determination of policies with respect to wages, hours, and conditions of labor on REA systems.
 - 6. Education of consumers by borrowers with respect to concrete applications of electricity to domestic and agricultural activities.
 - 7. Advice and assistance to borrowers on purchase of systems' equipment.

II. WAR-TIME ACTIVITIES

- a. In General: To conduct all activities pertaining to business management advice and assistance, and the integration of engineering and other technical advice for REA borrowers in the operation, maintenance and continuous, ordinary load building of their systems to assure the maximum utilization of these facilities in the war effort and to maintain financial stability and safeguards of the Government investment, all with conformity to WPB directives concerning simplicity and economy of power, materials, etc.
- b. In Detail: To conduct activities pertaining to business management advice and assistance and the integration of technical engineering and other technical activities, of operation and maintenance of distribution lines, systems' offices, and related facilities of borrowers' systems, including:
 - 1. Analysis of fiscal operations of borrowers' systems and relation to systems' operating budgets.
 - 2. Obtainment of power supply and determination of retail rates.
 - 3. Development of appropriate insurance rates and adequate safety programs.

4. Collection, analysis, and application of data on tax problems.
5. Determination of policies with respect to wages, hours, and conditions of labor on REA systems.
6. Education of consumers by borrowers with respect to war-time applications of labor-saving electricity to domestic and agricultural activities and with respect to the conservation and maintenance of existing equipment.
7. Advice and assistance to borrowers on mass purchase of systems' equipment.

D. FINANCE DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To conduct activities pertaining to financial status of borrowers and depositories; to control and approve advances and expenditures in relation to the budget; to design and install borrowers' accounting systems; to audit borrowers' accounts; and to administer other financial aspects of REA relations with the Treasury, RFC and borrowers.
- b. In Detail:
 1. To review requests for advances, reports of expenditures, and maintain appropriate controls over all funds allotted by REA to individual borrowers.
 2. To maintain REA official loan account records.
 3. To render bills to, and collect payments from, borrowers and maintain records thereof.
 4. To install the accounting systems of borrowers; audit borrowers' accounts; initiate and approve all changes in borrowers' accounting systems.
 5. To examine and check installation loan documents.
 6. To examine the financial condition of private utility borrowers, and all banks used as depositories by borrowers.
 7. To audit the financial responsibility of officers selected by cooperatives.
 8. To advise borrowers generally on banking problems.

9. To act as consultant to Cooperatives' Operations Division on problems involving analysis of borrowers' accounts.
10. To check for accounting accuracy the financial sections of the borrowers' monthly operating reports.
11. To prepare routine or special reports pertaining thereto.

II. WAR-TIME ACTIVITIES

- a. In General: For assurance of proper safeguards to Government funds, to conduct activities pertaining to financial status of borrowers and depositories; to control and approve advances and expenditures in relation to the budget; to design and install borrowers' accounting systems; to audit borrowers' accounts; and to administer other financial aspects of REA relations with the Treasury, RFC and borrowers.
- b. In Detail:
 1. To review and check requests for advances, reports of expenditures, and maintain appropriate controls over all funds allotted by REA to individual borrowers.
 2. To maintain REA official loan account records.
 3. To render bills to, and collect payments from, borrowers and maintain records thereof.
 4. To design and install the accounting systems of borrowers; audit borrowers' accounts; initiate and approve all changes in borrowers' accounting systems.
 5. To examine the financial condition of private utility borrowers, and all banks used as depositories by all borrowers.
 6. To audit the financial responsibility of officers selected by cooperatives.
 7. To advise borrowers generally on banking problems.
 8. To act as consultant to Cooperatives' Operations Division on problems involving analysis of borrowers' accounts.
 9. To check for accounting accuracy the financial sections of the borrowers' monthly operating reports.
 10. To prepare routine or special reports pertaining thereto.

E. TECHNICAL STANDARDS DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To serve as consultant on technical engineering problems; to plan and direct a program of engineering studies designed to lower costs and improve the reliability of rural power systems; to develop technical engineering standards relating to equipment and to construction and operating practices.
- b. In Detail:
 1. To serve as consultant on technical engineering problems.
 2. To conduct technical investigations aimed at the development and improvement of borrowers' generation, transmission and distribution facilities, and consumers' electro-agricultural equipment.
 3. To conduct studies looking toward the development and improvement of technical practices and methods related to borrowers' systems.
 4. To evaluate performance of electrical equipment and to develop standard methods of applying such equipment in the design and construction of rural transmission and distribution lines.
 5. To establish appropriate tests of electrical apparatus and equipment and to participate in national activities in the establishment of codes and other technical standards that may affect rural electrification.

II. WAR-TIME ACTIVITIES

- a. In General: To serve as consultant on technical engineering problems related primarily to achievement of maximum utilization of power in war production; to plan and direct a war program of engineering studies designed to lower costs and improve the reliability of rural power systems; to develop simplified technical engineering standards in conformity with instructions of the WPB relating to equipment and to construction and operating practices.
- b. In Detail:
 1. To serve as consultant on technical engineering problems.
 2. To conduct technical investigations having direct war significance aimed at the development and improvement of borrowers' generation, transmission and distribution facilities, and consumers' electro-agricultural equipment.

3. To conduct studies having direct war significance in the development and improvement of technical practices and methods related to borrowers' systems.
4. To evaluate performance of electrical equipment and to develop standard methods of applying such equipment in the design and construction of rural transmission and distribution lines in conformity with instructions on simplification of the WPB.
5. To establish appropriate tests of electrical apparatus and equipment primarily for purpose of discovering simplifications and substitutions made necessary by WPB orders and to participate in national activities in the establishment of codes and other technical standards that may affect rural electrification.

F. INFORMATION DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To disseminate information designed primarily for the borrowers and the public concerning the status and progress of the rural electrification program.
- b. In Detail:
 1. To conduct the program of current information regarding objectives, policies, activities and accomplishments of REA.
 2. To collaborate with other Divisions in the preparation and dissemination to borrowers and their consumers of information pertaining to utilization and application of electricity in rural areas.
 3. To advise and assist borrowers in respect of their informational activities.
 4. To inform cooperatives and their members with respect to cooperative principles and philosophy.

II. WAR-TIME ACTIVITIES

- a. In General: To disseminate information designed primarily for the borrowers and the public with particular reference to war activities and utilization of power for war purposes.
- b. In Detail:
 1. To conduct the program of current information regarding objectives, policies, activities, and accomplishments of REA with reference to war activities.

2. To collaborate with other divisions in the preparation and dissemination to borrowers and their consumers of information pertaining to utilization and application of electricity in rural areas to stimulate maximum utilization of power for war purposes.
3. To advise and assist borrowers in respect of their informational activities on war activities.
4. To assist cooperatives and their members in exercising their opportunities and responsibilities for participating in their community war programs.

G. MANAGEMENT DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To conduct activities pertaining to the maintenance of records of construction schedules and performances, statistical records and tabulations, preparation and maintenance of system maps, administrative accounts, travel, procurement, and other office services.
- b. In Detail:
 1. To establish and maintain yearly production schedules and records of construction performance.
 2. To collect and maintain statistical data indicating REA progress and the results of REA operations and to provide statistical tabulation service to other Divisions.
 3. To maintain records and audit vouchers of all expenditures of administrative funds.
 4. To prepare and maintain system maps and perform other mapping services as requested.
 5. To purchase, and maintain inventory control records of, equipment and supplies.
 6. To provide travel service.
 7. To perform activities relating to mail, telephone, telegraph, messenger and custodial services; central files; duplicating services; the allocation and control of office space.

II. WAR-TIME ACTIVITIES

- a. In General: To conduct activities pertaining to the maintenance of records of construction schedules and performance; statistical records

and tabulation, preparation and maintenance of system maps, administrative accounts, travel, procurement, and other office services, all with due regard for simplicity and economy imposed by war conditions.

b. In Detail:

1. To establish and maintain yearly production schedules and records of construction performance.
2. To collect and maintain statistical data indicating REA progress and the results of REA operations and to provide statistical tabulation service to other Divisions.
3. To maintain records and audit vouchers of all expenditures of administrative funds.
4. To prepare and maintain system maps and perform other mapping services as requested.
5. To purchase, and maintain inventory control records of, equipment and supplies.
6. To provide travel service.
7. To perform activities relating to mail, telephone, telegraph, messenger and custodial services; central files; duplicating services; the allocation and control of office space.

H. PERSONNEL DIVISION

I. NORMAL ACTIVITIES (PEACE-TIME)

- a. In General: To supervise all matters connected with the classification of positions, employment, training, health and general welfare of all employee, and relations with employee organizations, and to conduct investigations concerning personnel matters.

b. In Detail:

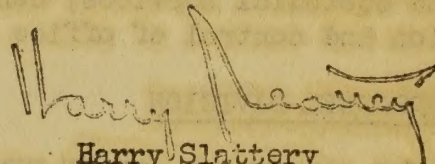
1. To supervise all matters in connection with the classification of positions.
2. To recruit personnel.
3. To conduct training programs for employees and to arrange for execution of training programs as established by the Training Advisory Committee.
4. To be responsible for activities concerned with health and general welfare of employees.

5. To make investigations concerning all personnel matters.

II. WAR-TIME ACTIVITIES

- a. In General: To supervise all matters connected with the classification of positions, employment, training, health, general welfare of all employees in light of needs for war-time morale, and relations with employee organizations, and to conduct investigations concerning personnel matters.
- b. In Detail:
 1. To supervise all matters in connection with the classification of positions.
 2. To recruit personnel.
 3. To conduct training programs for employees and to arrange for execution of training programs as established by the Training Advisory Committee.
 4. To be responsible for activities concerned with health and general welfare of employees.
 5. To make investigations concerning all personnel matters.

Previous memoranda issued to implement General Order 147 as amended which are inconsistent or in conflict with the provisions of this memorandum are superseded or modified accordingly as of this date by this memorandum.


Harry Slattery
Administrator